

MEMORANDUM

To: Hon. Sharpe James

Date: March 10, 1987

From: Gustav Heningburg

Re: Waverly Yards.

This memo comes to offer some observations about the pending decision concerning designating a developer for Waverly Yards.

I would urge you to make the decision as soon as you are satisfied that you have fairly reviewed pertinent data. The longer it takes to make the decision, the more opportunity there is for increased pressure on you...and for mischief.

It appears to me that you are in the unusual and positive position of having two experienced, financially strong developers with good performance records. The City of Newark will not be the loser, whether you select HOWCO or Hartz. While I personally believe Hartz has a little more experience at building the kinds of facilities which would generate jobs most appropriate for the Newark labor pool...and probably could get under way faster, there is no question that HOWCO is also a strong developer.

However, there are some other considerations I want to call to your attention. This will be your first major economic development decision, and may well be the biggest one you make during your first term as Mayor. So...the signals you send with such a decision become important. For example...I am not unaware of the pressure being put on you by certain elements in the Newark business community in support of HOWCO. They are convinced that they have enough leverage/influence to get you to do what they want you to do. The decision supporting HOWCO would reinforce this feeling in their minds. A decision designating Hartz would send them a clear signal that their interests are not the only consideration that you will take into account in making your decisions.

Secondly, you have a situation where Faiella is supporting HOWCO, and Lucas recommends Hartz. Your designation of HOWCO would send another signal that would reinforce the perception that Faiella still controls the development process in Newark despite all public statements to the effect that there has been a major change in such matters. It would certainly put Lucas in an awkward position, since theoretically Faiella reports to him in the new structure you have instituted.

Please be assured that whatever decision you make I will certainly support...but I urge you to make the decision quickly to cut off the lobbying and the pressure, and so the actual development of Waverly Yards can get under way.